

IT Modernization Industry Briefing

February 23, 2017

THIS IS KAREN WREGE, I'M THE CHIEF INFORMATION OFFICER AT THE DIRECTORATE OF DEFENSE TRADE CONTROLS AND I'M VERY HAPPY TO BE HERE TO TALK TO YOU A LITTLE BIT ABOUT THE PROGRESS WE'VE BEEN WORKING ON WITH OUR DECCS IT MODERNIZATION AND IN PARTICULAR, I'M GOING TO BE TALKING ABOUT WHAT IS GOING TO BE IN THE NEXT RELEASE, AND WHAT THE TIMING IS FOR THAT RELEASE, BUT I'M ALSO GOING TO TALK A LITTLE BIT ABOUT WHERE WE'RE GOING FROM THERE, JUST SO YOU GET A BIG PICTURE OF OUR PLANS AND HOW THEY'VE CHANGED OVER THE LAST FEW MONTHS.

I WENT TO THE SIA CONFERENCE IN THE FALL IN OCTOBER AND I GOT A LOT OF REALLY GREAT FEED BACK FROM THE PARTICIPANTS AT THAT CONFERENCE -- AT BOTH OF THOSE CONFERENCES. WE HAVE THOUGHT A LOT ABOUT WHAT WAS SAID IN THOSE CONFERENCES AND HAVE MADE SOME ADJUSTMENTS TO MAKE SURE THAT THIS I.T. MODERNIZATION GOES SMOOTHLY FOR BOTH THE GOVERNMENT AND FOR INDUSTRY.

SO I WILL TALK A LITTLE BIT ABOUT THAT AS WELL.

WE WILL TALK A LITTLE BIT ABOUT THE ONE FORM AND ALSO THE SORT OF GLOBAL ONE FORM, I'M NOT EXACTLY SURE THE BEST WAY TO DESCRIBE TWO DIFFERENT ONE FORMS WHICH ARE LARGELY THE SAME FROM MY PERSPECTIVE, BUT WOULD HAVE A BIGGER IMPACT ON THE INDUSTRY SINCE THE STARS ONE FORM IS A COLLABORATION BETWEEN THE DIRECTORATE AT THE STATE DEPARTMENT, DEPARTMENT OF COMMERCE, AND DEPARTMENT OF TREASURY OFAC.

SO THAT'S SORT OF THE INITIATIVE AND WE WILL CALL THAT STARS, AND WE WILL CALL DDTC'S ONE FORM, I WILL JUST CALL THAT THE ONE FORM AND THEN OF COURSE WE HAVE OUR LEGACY FORMS WHICH ARE THE ONES THAT EVERYONE IS REALLY FAMILIAR WITH, THE 5, THE 6, THE 61, 62 AND SO ON.

SO, ANYWAY, WE WILL SORT OF GIVE YOU A TIMELINE OF WHEN THINGS WILL BE -- WHAT WILL BE USED AT WHAT POINT AND HOW THIS ALL WILL GO AND OUR CURRENT THINKING. AS ALWAYS I'M REALLY INTERESTED IN INDUSTRY FEEDBACK, YOU KNOW, I'M NEW TO THIS INDUSTRY, I'VE BEEN WITH THE DIRECTORATE AND WITH THE STATE DEPARTMENT FOR JUST OVER TWO YEARS SO I DO KNOW A FEW THINGS BUT I CERTAINLY DON'T KNOW EVERYTHING.

I'M REALLY INTERESTED IN MAKING SURE THAT WE'RE CAPTURING WHAT WE NEED TO MAKE THIS AS EFFICIENT AS POSSIBLE.

I'M ALSO GOING TO HAVE A LOT OF TIME FOR QUESTIONS, SO I WOULD ENCOURAGE EVERYONE IF YOU HAVE QUESTIONS TO DO IT IN THIS FORUM, JUST BECAUSE I WILL ANSWER WHAT I CAN AND WE WILL GO BACK AND ANSWER THOSE THAT I'M NOT ABLE TO ANSWER TODAY, BUT EVERYBODY WILL BE HELPED IF THE QUESTIONS COME IN IN THIS WAY.

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LET'S GO TO THE FIRST SLIDE AND THEN I CAN TALK ABOUT RELEASE 2.

WE'RE CALLING THIS RELEASE# 2, RELEASE #1 WAS REALLY A PILOT WHERE WE HAD A SINGLE FORM, THE COMMODITY JURISDICTION FORM, PUT THAT UP ON THE CLOUD AND IT'S BEING USED NOW.

IT WAS PUT UP IN NOVEMBER 2016, AND I THINK THE DEPLOYMENT WAS REALLY GOOD , YOU KNOW, THERE WERE SOME ISSUES EARLY ON, SMALL ISSUES, THAT WERE RESOLVED AND WE'RE CURRENTLY NOW GETTING DATA THROUGH THE CLOUD AND MOVING IT TO U.S. EXPORTS WHERE IT GETS PROCESSED.

SO THAT WAS RELEASE ONE, BUT THAT WAS A VERY, VERY SMALL THING RELATIVE TO WHAT RELEASE# 2 IS GOING TO ENTAIL.

RELEASE TWO FROM THE INDUSTRY PERSPECTIVE IS A SINGLE PORTAL FOR ALL OF THE DDTC'S DATA COLLECTIONS AND ALSO WHERE YOU WOULD BE ABLE TO FIND OUT WHAT THE APPLICATION STATUS IS.

IT'S AN INTERACTIVE WEB BASE FOR THE DATA COLLECTIONS AND BASICALLY WHAT IT INVOLVES IS THE LEGACY FORMS, SO WE ARE NOT SWITCHING TO THE ONE FORM FOR RELEASE TWO, AND I WILL TELL YOU IN JUST A MINUTE WHY WE ARE NOT DOING THAT, BUT THAT WAS A BIG DEAL AT UPDATE AND AT SIA CONFERENCE, THAT PEOPLE WERE VERY CONCERNED ABOUT THE TIMELINE THAT WE WERE TALKING ABOUT MOVING OVER TO THE ONE FORM.

SO WE'VE SORT OF SUSPENDED SOME WORK ON THE ONE FORM AND THERE IS A COUPLE OF REASONS FOR THAT.

I WAS CONCERNED THAT THE ONE FORM -- OUR ONE FORM, DEPLOYING THAT AND THEN FOLLOWING ON ITS HEELS WITH THE STARS ONE FORM WOULD CREATE A LOT OF EXTRA WORK FOR THE INDUSTRY AND SO IT WAS LOOKING LIKE AT THAT TIME THAT THEY WOULD HAPPEN IN SUCCESS AND NOT TOO MUCH TIME IN BETWEEN THEM.

IF THERE WAS A LONG PERIOD OF TIME THAT WE EXPECTED BETWEEN THE TWO RELEASES I MIGHT FEEL DIFFERENTLY ABOUT IT, BUT, IF IT'S WITHIN A YEAR IT'S A LOT OF CHANGES FOR THE INDUSTRY AND SO THERE WAS CONCERN THAT THERE WOULDN'T BE ENOUGH TIME OR THAT PEOPLE WOULD BE DOING AN AWFUL LOT OF CHANGING OF THEIR SYSTEMS TO BE ABLE TO WORK WITH OUR SYSTEMS AND THE OTHER PIECE IS THAT THERE'S AN AWFUL LOT OF CHANGES THAT ARE REQUIRED IN THE ITAR IN ORDER TO DO EVEN OUR ONE FORM BECAUSE THERE'S MANY, MANY HUNDREDS OF REFERENCES TO PAPER AND PAPER-BASED PROCESSING IN THE ITAR AND ALL OF THAT NEEDS TO BE CLEANED UP IN ORDER TO REALLY EFFECTIVELY IMPLEMENT THE ONE FORM.

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THE OTHER ISSUE THAT WE HAVE IS THAT THE ITAR ITSELF. WE ARE REVIEWING IT AS A DIRECTORATE TO MAKE SOME NECESSARY CHANGES TO THE ITAR THAT ARE BROADER THAN JUST THE ADMINISTRATIVE CHANGES THAT I'M LOOKING TO MAKE FOR THE SYSTEMS AND FOR THE FORMS.

SO THAT'S AN ONGOING PROJECT THAT'S HAPPENING AND IDEALLY WITH THE SYSTEM DEVELOPMENT IN A GOVERNMENT SETTING LIKE THIS YOU WOULD HAVE YOUR RULEMAKING AND YOUR FORM CHANGE HAPPEN CONCURRENTLY SO PEOPLE WILL REALLY KNOW WHAT YOU'RE TALKING ABOUT, HERE IS THE RULES, HERE IS HOW THE RULES ARE CHANGING AND THESE ARE THE DATA COLLECTIONS THAT ARE GOING TO SUPPORT THOSE RULE CHANGES.

SO KNOWING THAT THERE WAS GOING TO BE A LOT OF WORK DONE ON THE ITAR I FELT THAT IT WAS APPROPRIATE TO SORT OF PAUSE AND MAKE SURE THAT THESE THINGS WERE ALL IN ALIGNMENT. THE CURRENT STATUS OF OUR ONE FORM IS THAT IT'S GONE THROUGH 60 DAY PUBLIC COMMENT, WE'VE GOTTEN ALL OF THOSE COMMENTS AND WE'VE REVIEWED IT, WE'VE MADE SOME CHANGES BASED ON THOSE COMMENTS BUT WE ARE NOT GOING TO RELEASE IT FOR THE 30 DAY COMMENT, WE ARE NOT GOING TO SEND IT BACK TO OMB UNTIL WE CONTINUE DOING THIS ANALYSIS OF HOW MUCH MORE DO WE THINK IT'S GOING TO CHANGE THROUGH THESE RULEMAKING CHANGES THAT WE'RE PLANNING?

SO THAT'S KIND OF WHERE THAT IS.

THE DECISION WAS MADE THAT WE WOULD CONTINUE -- WE WOULD UPDATE THE LEGACY FORM AND THAT THEY WOULD BE USED IN DECCS BECAUSE WE CAN'T WAIT TO IMPLEMENT DECCS.

CAN EVERYBODY HEAR ME NOW?

IF YOU WANT TO JUST TYPE INTO THE CHAT THAT YOU CAN HEAR.

OKAY.

IT LOOKS LIKE PEOPLE ARE ABLE TO HEAR.

THANK YOU.

THANKS SO MUCH FOR THAT.

I'M NOT SURE WHAT HAPPENED, BUT I'LL TRY TO START WHERE I LEFT OFF.

WHICH I'M NOT SURE WHERE I LEFT OFF, BUT LET'S SEE.

WE WERE TALKING ABOUT THE FORM.

WELL, I'M GOING TO DO THIS, I'M GOING TO TALK ABOUT SORT OF THE ONE STOP SHOP NATURE OF RELEASE TWO.

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ONE OF THE THINGS THAT WE WANT TO DO VERY MUCH IS WE WANT TO GET RID OF -- I WANT TO GET RID OF ALL THE GENERAL CORRESPONDENCE.

NOW, I DON'T THINK I WILL BE ABLE TO NECESSARILY DO THAT IN RELEASE TWO, BUT I WANT TO MAKE AVAILABLE A PROCESS WHERE GENERAL CORRESPONDENCE AS WE KNOW IT TODAY CAN BE FILED ELECTRONICALLY.

THAT MEANS MINOR AND MATERIAL CHANGES TO REGISTRATIONS, WOULD BE THROUGH THE MAD FORM WHICH IS CURRENTLY OVER AT OMB NEARING COMPLETION AND NEARING APPROVAL.

ADVISORY OPINIONS WOULD BE MADE AVAILABLE ELECTRONICALLY THROUGH DECCS.

AND WITH ADVISORY OPINIONS, I MEAN, THEY'RE GENERALLY LETTERS SO WHAT WE'RE LOOKING FOR IS THE METADATA AND THAT'S WHAT THE FORM ASKS FOR AND THEN YOU WOULD STILL ASK YOUR QUESTION IN A TEXT-BASED WAY.

IT'S REALLY JUST A WAY OF COLLECTING IT SO THAT WE DON'T HAVE TO TAKE YOUR REQUEST AND DATA ENTER IT, WHICH DELAYS THE PROCESS AND DELAYS THE ANSWER OF AN ADVISORY OPINION.

DISCLOSURES THAT ARE CURRENTLY DONE, WE WANT TO PROVIDE FOR AN ELECTRONIC MEANS TO DO THOSE DISCLOSURES AND ALSO SOME MEANS BY WHICH IF WE WANT TO DO A DIRECTED DISCLOSURE THAT WE CAN COMMUNICATE TO THE INDUSTRY ABOUT THAT.

RETRANSFER REQUESTS, THOSE WERE PART OF THE ONE FORM FOR ANY OF YOU THAT REVIEWED THAT FORM, AND BECAUSE WE'RE USING THE LEGACY FORMS THOSE RETRANSFER REQUESTS WOULD COME IN AS A GENERAL CORRESPONDENCE, WHAT WE WANT TO DO IS GET APPROVAL TO GET THE METADATA ON THAT GENERAL CORRESPONDENCE AND CONTINUE TO BE ABLE TO ELECTRONICALLY FILE SO THAT YOU ARE NOT MAILING AND, THEY'RE COMING IN IN A WAY THAT HELPS US TO TRACK THEM MORE EFFECTIVELY AND TO PROCESS THEM MORE QUICKLY.

THE OTHER THING THAT HAS BEEN NOT A CAPABLE OF OUR EXISTING SYSTEMS IS REALLY A LOT OF STATUS, AND I'M NOT TALKING ABOUT LICENSING BECAUSE FOR LICENSING WE'RE GOING TO CONTINUE TO -- FROM OUR PORTAL WE'RE GOING TO POP YOU OVER TO ELISA WHICH IS A DTSA SYSTEM, BUT FOR REGISTRATIONS WE GET AN AWFUL LOT OF CALLS.

HALF OF OUR RESPONSE TEAM CALLS ARE REGISTRATION STATUS QUESTIONS.

THOSE ARE THE TYPES OF THINGS THAT YOU WILL BE ABLE TO SEE THE STATUS AS WELL AS ANYBODY ON THE INSIDE SO THAT YOU WON'T HAVE TO ASK THOSE KINDS OF QUESTIONS OF WHETHER WE RECEIVED YOUR REGISTRATION APPLICATION OR YOUR RENEWAL, AND WHERE IT IS IN THE PROCESS.

THAT'S A BIG ADVANTAGE OF DECCS FOR THE INDUSTRY IS TO NOT HAVE TO MAKE THOSE PHONE CALLS.

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WE ALSO ARE LOOKING TO -- AND WE ARE NOT EXACTLY SURE IF THIS WILL BE INCLUDED IN RELEASE TWO, BUT ANOTHER BIG QUESTION THAT WE GET IS FOR REPOSTING OF LICENSES.

WE ARE LOOKING AT WAYS TO DO THAT MORE EFFICIENTLY THAN YOU SENDING AN E-MAIL ASKING FOR A REPOST OF A LICENSE THAT IS NO LONGER ON OUR EXTERNAL SERVERS.

THAT'S SOMETHING ELSE THAT WE WOULD LIKE TO IMPROVE ON.

THESE ARE KIND OF LOW HANGING FRUIT IMPROVEMENTS THAT WE'RE GOING TO MAKE AND WE'RE HOPING TO MAKE SOONER RATHER THAN LATER.

I GUESS THE OTHER THING I WOULD POINT OUT ABOUT THE INTERFACE IS THAT CURRENTLY AT LEAST FOR REGISTRATIONS, THERE'S NOT A LOT OF FRONT END EDIT CHECKING ON THE REGISTRATION APPLICATIONS AND THERE WILL BE THAT EDIT CHECKING TO MAKE SURE THAT ALL THE FIELDS ARE FILLED OUT AND MUCH LIKE THE C.J. APPLICATIONS, YOU CAN'T -- IN OUR OLD SYSTEM YOU COULD CREATE A FILING AND IT COULD BE COMPLETELY, , IN SUFFICIENT IN TERMS OF THE INFORMATION YOU PROVIDE BUT IT WOULD STILL COME INTO OUR SYSTEM AND WE WOULD STILL HAVE TO PROCESS IT.

WE WOULD RETURN IT OR WE WOULD CALL OR WE WOULD DO SOMETHING BUT ALL OF THAT IS UNNECESSARY WITH CURRENT TECHNOLOGY WHERE YOU CAN BASICALLY INSIST THAT THE DATA THAT NEEDS TO BE IN THE SYSTEM IS INPUTTED BEFORE IT'S SUBMITTED.

WE'RE GOING TOWARD THAT MODEL, WHICH SHOULD HELP TO MAKE THINGS EASIER FOR US TO PROCESS AND MORE TIMELY ONCE YOU GET THOSE APPLICATIONS SUBMITTED.

THE OTHER BIG CHANGE THAT I THINK WILL HELP IMPROVE THE TIMING OF THE PROCESSING IS THE INTEGRATED PAYMENTS AND THESE -- WE SPENT AN EXORBITANT AMOUNT OF TIME TRYING TO MATCH UP REGISTRATIONS TO PAYMENTS WITH OUR CURRENT SYSTEM AND SO USING PAY.GOV IS GOING TO HELP US ENORMOUSLY BECAUSE THE NOTION IS THAT THE SYSTEM WILL KNOW HOW MUCH YOU OWE AND WE WILL PAY IT AND THAT WON'T BE SOMETHING THAT WE HAVE TO MATCH UP MANUALLY AND ENSURE THAT THE PAYMENT HAS BEEN MADE, WHICH IS A LOT OF OUR PROCESS IS DEALING WITH MAKING SURE THAT THE PAYMENTS ARE MADE APPROPRIATELY.

THERE'S GOING TO BE THE ABILITY TO UPLOAD, ADDITIONAL INFORMATION WHICH YOU CURRENTLY HAVE WITH E-TRADE, SO THAT'S NOT GOING AWAY AND A LOT OF PEOPLE IN INDUSTRY ARE CONCERNED ABOUT, JUST BEING ABLE TO IDENTIFY EVERYTHING THAT NEEDS TO BE IDENTIFIED IN THE DATA ELEMENTS AND THEY WANT TO PROVIDE SOME CONTEXT AND OF COURSE WE'RE GOING TO ALLOW FOR THAT.

AND THEN I GUESS THE LAST THING -- OH, AND I SHOULD SAY THERE HAVE BEEN SOME QUESTIONS ABOUT, WHAT FORMATS ARE WE GOING TO ACCEPT AUTHORIZE THOSE UPLOADED DOCUMENTS.

FROM A SECURITY PERSPECTIVE WE WANT TO LIMIT THE FILE TYPES.

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AND I HAD A CONVERSATION WITH THE FOLKS OVER AT BIS AT COMMERCE AND WAS TOLD THAT THEY LIMIT TO PDF FILES AND I THINK THAT THAT'S SOMETHING WE ARE GOING TO DO AS WELL AND IT WILL BE CONSISTENT ACROSS THE AGENCIES AND IT WILL BE MUCH BETTER FROM A SECURITY STANDPOINT TO LIMIT THOSE.

THOSE TYPES OF FILE FORMATS.

THIS IS SOMETHING THAT, IF YOU THINK THAT THERE ARE CONCERNS ABOUT THAT LIMITATION I WOULD BE INTERESTED IN KNOWING THOSE, BUT THAT'S SORT OF THE DIRECTION THAT WE ARE HEADED.

THE OTHER THING ON THE ENHANCED SECURITY THAT I REALLY WANTED TO MAKE MENTION OF TODAY IS THAT, IT OCCURS TO ME THAT WITH OUR CURRENT SYSTEM WE HAVE, YOU KNOW, AN OFFLINE APPROACH.

SO YOU BASICALLY ARE FILLING OUT YOUR PDF FORM AND THEY ARE YOU'RE UPLOADING IT WHEN IT'S COMPLETELY DONE AND YOU HAVE A SINGLE IDENTRUST CERTIFICATE FOR THAT PROCESS OF UPLOADING IT WHEN IT'S DONE.

AND WITH RESPECT TO SECURITY EACH -- ANYBODY THAT GETS INTO THE SYSTEM TO DO ANYTHING THAT THEY'RE GOING TO GET TO DO, BECAUSE THIS IS AN INTERACTIVE SYSTEM, IS GOING TO HAVE TO HAVE AN IDENTRUST CERT TO BE ABLE TO GET INTO THE SYSTEM.

I JUST WANT TO POINT THAT OUT BECAUSE A LOT OF COMPANIES MAY NOT HAVE MORE THAN ONE IDENTRUST CERT AND THAT'S GOING TO BE A REQUIREMENT TO ENHANCE THE SECURITY SO THAT WE WILL KNOW WHO SPECIFICALLY IS TAKING ACTION, AT LEAST IN AUDIT, WHO IS ACTUALLY DOING WHAT IN THE SYSTEM.

I DID WANT TO TALK A LITTLE BIT ABOUT THAT AND ANSWER ANY QUESTIONS THAT YOU MAY HAVE ABOUT THAT DECISION.

WHY DON'T WE GO TO THE TIMELINE BECAUSE I KNOW THAT PEOPLE ARE INTERESTED IN THE TIMELINE FOR RELEASE TWO.

SO WE ARE CURRENTLY IN DEVELOPMENT.

IT'S FEBRUARY 23rd AND THE PLAN IS TO END OUR DEVELOPMENT EFFORT IN -- AT THE END OF MARCH.

AND THEN DO A BUNCH OF GOVERNMENT TESTING AND THEN

GET INTO INDUSTRY TESTING IN APRIL.

THE INDUSTRY TESTING THAT WE ARE GOING TO START WITH WILL LIKELY BE THE BATCH PROCESS AND THEN WILL BE FOLLOWED BY THE INTERACTIVE APPLICATIONS ALLOWING THE INDUSTRY TO ACTUALLY GET ON TO A TEST SERVER AND TEST BEING ABLE TO SUBMIT APPLICATIONS.

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NOW, BY THE END OF MAY WE ARE GOING TO SUBMIT TO THE DEPARTMENT OF STATE I.T.

INFORMATION ASSURANCE AREA, WE'RE GOING TO GIVE THEM THE WHOLE PACKAGE IN ORDER TO OBTAIN AN AUTHORIZATION TO OPERATE.

AN AUTHORIZATION TO OPERATE IS SOMETHING THAT EVERY GOVERNMENT SYSTEM HAS TO HAVE.

THERE'S ALL SORTS OF FEDERAL REGULATIONS ASSOCIATED WITH THAT AND IT'S A PERIOD OF TIME WHERE THEY HAVE TO GO THROUGH THE PROCESS OF SCANNING AND ENSURING THAT THE SYSTEM IS SECURE AND READY TO OPERATE.

WE'VE BEEN TOLD THAT FOR THIS KIND OF SYSTEM IT WILL LIKELY TAKE THREE MONTHS TO GO THROUGH THAT PROCESS.

WE'RE LOOKING AT A DEPLOYMENT DATE OF SEPTEMBER 2017 FOR RELEASE 2.

THAT'S OUR TIMELINE.

AND FUTURE RELEASES WILL GO ON FROM THERE AND WILL NOT TAKE THE AMOUNT OF TIME BECAUSE, BASICALLY THE PLATFORM WILL BE BUILT, THE INTERFACES WILL BE BUILT, SO WE WON'T HAVE TO HAVE THIS AUTHORIZATION TO OPERATE APPROVAL WITH EACH RELEASE BECAUSE THE RELEASE TWO IS REALLY THE MAIN RELEASE AND THEN IT'S JUST A MATTER OF, ENHANCING WITH ADDITIONAL FEATURES AND FUNCTIONALITY, BUT THERE WON'T BE ANY DIFFERENCES IN TERMS OF US SENDING INFORMATION OUT TO DIFFERENT PEOPLE OR TO DIFFERENT ORGANIZATIONS WITHIN THE FEDERAL GOVERNMENT OR US TAKING IN INFORMATION FROM OTHER FEDERAL AGENCIES OR FROM OTHER CONDUITS.

THE AUTHORIZATION TO OPERATE IS BASICALLY ON THE PLATFORM LEVEL AND WE CAN MAKE SOME CHANGES.

WE DOCUMENT THEM AND WE KEEP THE FILES UPDATED AND THAT'S HOW WE CONTINUE TO MAKE IMPROVEMENTS IN THE SYSTEM AND NOT HAVE LONG PERIODS OF TIME THAT WE HAVE TO WAIT FOR DEPLOYMENT.

SO LET'S SEE.

IN CASE I HAVEN'T GONE THROUGH ALL OF WHERE WE ARE WITH THE FORMS, OUR DISCLOSURES AND THE MERGERS AND ACQUISITIONS AND DIVESTITURES, THE OMB REVIEW IS COMPLETE; WE ARE STILL WAITING FOR APPROVAL.

SO THAT HAS GONE THROUGH THE WHOLE PROCESS.

ON THE ADVISORY OPINIONS, THE 60-DAY COMMENT PERIOD ENDED AND WE ARE NEARING FINALIZATION OF BRINGING THAT BACK OUT FOR 30-DAY COMMENT.

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THEN THE ONE FORM AS I MENTIONED BEFORE IS WE'VE SORT OF SUSPENDED A LOT OF ACTIVITY ON THAT TO GET RELEASE TWO OUT AND THEN WE WILL REASSESS WHEN WE ARE GOING TO PUT THAT BACK, IN OMB'S COURT FOR ADDITIONAL PUBLIC COMMENTS.

I WOULD END MY SORT OF FORMAL REMARKS JUST POINTING YOU TO THIS SLIDE ABOUT WHAT YOU SHOULD DO TO CONTINUE TO ENGAGE WITH US AS WE DO THIS I.T. MODERNIZATION.

I'M GOING TO START ANSWERING QUESTIONS.

AND THERE'S ALREADY SOME QUESTIONS THAT ARE OUT THERE.

SO THE FIRST QUESTION IS WILL THIS SYSTEM BE INTEGRATED WITH BIS, WITH CUSTOMS AND BORDER PROTECTION FILING?

SO IN TERMS OF BEING INTEGRATED WITH BIS, NO, IT'S NOT GOING TO BE INTEGRATED WITH BIS AT THIS STAGE FOR RELEASE TWO.

WHEN IT WILL BE WITH BIS, INTEGRATED WITH BIS, IS WHEN WE DO THE STARS ONE FORM.

AND IT'S A PROJECT THAT IS REALLY IMPORTANT TO US TO CONTINUE TO WORK THROUGH THAT AND I JUST THINK THAT THIS PARTICULAR RELEASE FROM OUR PERSPECTIVE WE HAVE TO -- WE ARE REQUIRED TO GET OFF OF OUR LEGACY SYSTEMS QUICKLY

AND THAT'S BECAUSE OF THIS AUTHORIZATION TO OPERATE THAT IS SO IMPORTANT FOR ALL GOVERNMENT SYSTEMS TO HAVE.

WE'RE GOING TO GET OFF OF OUR MAIN SYSTEM, PUT IT ON THE CLOUD AND THEN WE'RE GOING TO START WORKING TOWARD MORE INTEGRATION WITH BIS THROUGH THE STARS ONE FORM.

WITH RESPECT TO THE SYSTEM BEING INTEGRATED WITH CUSTOMS AND BORDER PROTECTION, WE ARE INTEGRATED WITH CUSTOMS AND BORDER PROTECTION, HAVE BEEN ON THE EXPORT SIDE FOR I THINK A DECADE AND WE ARE WITH THE IMPORT SIDE EFFECTIVE DECEMBER 31st, 2016.

THEY ARE GETTING ALL OF OUR DATA AND THEY ARE ABLE TO SEE ALL OF OUR LICENSING AND REGISTRATION DATA SO THAT'S TURNING INTO A WIN FOR THE INDUSTRY BECAUSE INDUSTRY IS NOT REQUIRED TO CONTINUE TO, SUBMIT PAPER COPIES OF THEIR LICENSES TO CVP.

I CONSIDER THAT SORT OF THE FIRST PIECE OF MODERNIZATION AND THAT WAS WITH THE AUTOMATED COMMERCIAL ENVIRONMENT AND THAT PROJECT THAT IS BOTH ONGOING, BUT HAS BEEN FULLY IMPLEMENTED EFFECTIVE DECEMBER 31st.

OKAY.

LET'S SEE.

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SO WHAT WILL HAPPEN TO ALL OF OUR LEGACY LICENSE INFORMATION CURRENTLY IN D TRADE?

SO ALL OF YOUR LEGACY LICENSE INFORMATION IS ACTUALLY NOT IN D-TRADE AND NOT AVAILABLE TO YOU.

THERE IS A PERIOD OF TIME WHERE YOU CAN GET THAT INFORMATION FROM D-TRADE BUT I WANT TO MAKE SURE THAT WE UNDERSTAND THAT POINT OF ONE OF THE REASONS WHY WE DON'T KEEP ALL OF YOUR DATA ACCESSIBLE IS FOR SECURITY PURPOSES.

BUT WITH REGARD TO ALL OF OUR LEGACY DATA, WHETHER IT'S LICENSING DATA, DISCLOSURE DATA, ANYTHING THAT YOU'VE EVER SUBMITTED, UP TO THE RETENTION RULES IS GOING TO BE AVAILABLE AND IS AVAILABLE TO US AND POTENTIALLY AVAILABLE TO YOU.

THE QUESTION IS, THESE REPOSTS THAT YOU CURRENTLY ASK FOR, WE ARE GOING TO TRY TO AUTOMATE THOSE SO THAT IF YOU NEED A LICENSE, YOU KNOW, YOU CAN GET IT BACK.

NOW, I WANT TO POINT OUT THAT HAVING A PAPER COPY OF A LICENSE IS LESS AND LESS IMPORTANT BECAUSE WHAT YOU NEEDED THAT LICENSE FOR CVP AND THOSE REQUIREMENTS AS WE GET FURTHER AND FURTHER ALONG ARE GOING TO BE LESS AND LESS IMPORTANT.

I MEAN, EXISTING LICENSES THAT YOU ARE USING THAT ARE PARTIALLY EXTINGUISHED, THE LICENSES ARE PROBABLY STILL IMPORTANT BUT YOU PROBABLY HAVE THEM BECAUSE YOU'VE USED THEM AND THEY HAVE BEEN DECREMENTED, NEW LICENSES THE WHOLE GOVERNMENT IS GOING TOWARDS MORE AUTOMATION, LESS PAPER.

AS FAR AS WHAT DATA WE HOLD AND WHAT DATA WILL BE ACCESSIBLE TO YOU, WE'RE GOING TO HAVE ALL OF THE DATA AND WE ARE GOING TO MAKE IT ACCESSIBLE AS IS NECESSARY FOR YOU.

OKAY.

SO WHAT IS THE SCHEDULE FOR UPDATING THE AGREEMENT GUIDELINES AND OTHER INSTRUCTIONS TO CONFORM TO THE NEW STRUCTURE IN ITAR?

I'M A CIO, I DON'T HAVE THAT ANSWER.

I'M NOT SURE.

I KNOW THAT IT'S ON THE HORIZON, BUT I'M NOT AWARE OF THE TIMELINES WITH REGARD TO -- WITH REGARD TO CHANGES THAT THEY'RE MAKING TO THE ITAR.

OKAY.

SO WE HAVE A QUESTION: WITH RELEASE TWO WILL THERE BE ANY WAY FOR STATE LICENSES TO AUTO GENERATE WITH BIS AND CVP?

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NO.

SO -- TO AUTO GENERATE WITH BIS AND CVP?

YEAH, I'M NOT SURE I UNDERSTAND THE QUESTION.

SO I'M GOING TO PASS ON THIS ONE AND, JENNIFER, IF YOU WANT TO RESTATE IT THAT WOULD BE GREAT BECAUSE I'M NOT EXACTLY SURE I UNDERSTAND IT AND I DON'T WANT TO ANSWER A DIFFERENT QUESTION THAN WHAT YOU INTENDED.

OKAY.

JEN L.ER, ARE YOU STILL GOING TO REQUIRE HARD TOKENS?

WE'RE GOING TO REQUIRE IDENTRUST CERTS, WHICH IS WHAT WE REQUIRE NOW AND WE ARE ALSO GOING TO LATER ON PROBABLY PROVIDE ADDITIONAL OPTIONS, BUT WE ARE DEFINITELY GOING TO HAVE, ONLY SECURE ACCESS TO THIS SYSTEM AND THAT'S AS MUCH FOR YOUR PROTECTION AS IT IS FOR US, AND SO YOU CAN EXPECT TO CONTINUE TO SEE THAT ON ANYTHING THAT RELATES TO DEPARTMENT OF STATE LICENSING.

LET'S SEE.

I THINK THAT ANSWERS THAT.

BIG PICTURE, BEST GUESS, WHEN DO YOU ANTICIPATE WE MIGHT GET TO THE END GOAL OF ONE NEW FORM AND THE ITAR UPDATED?

THIS IS A GOOD QUESTION.

THERE ARE A LOT OF INTERDEPENDENCIES.

BEST GUESS IS HARD BECAUSE, YOU KNOW, WITH THE ADMINISTRATION CHANGE, THINGS ARE SLOWER AND WE ARE NOT EXACTLY SURE HOW LONG THINGS WILL TAKE, BUT LET ME JUST ANSWER IT THIS WAY, I'VE WORKED IN OTHER FEDERAL AGENCIES AND I KNOW THAT THERE IS A LOT OF EMPHASIS ON MAKING THESE CHANGES WITH THE ITAR, SO THERE IS A LOT OF MANAGEMENT SUPPORT FOR UPDATING THE ITAR AND FOR DOING ONE NEW FORM AND ON A GOOD DAY IN GOVERNMENT IN ORDER TO DO THAT THROUGH THE NOTICE OF PROPOSAL MAKING AND THE RULEMAKING AND THE OMB AND ALL THE REST OF IT PLUS THE SYSTEM CHANGES IT'S PROBABLY AN 18-MONTH PROCESS.

IT CAN BE DONE IN A YEAR, BUT IT'S -- MY EXPERIENCE IS THAT IT USUALLY TAKES BETWEEN A YEAR AND 18 MONTHS.

AND WITH THIS PARTICULAR TIMING OF WHERE WE'RE STARTING, IT COULD TAKE LONGER, BUT, YOU KNOW, I THINK 18 MONTHS IS GENERALLY ON THE OUTSIDE OF MY EXPERIENCE.

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I'VE WORKED IN SMALLER AGENCIES, THOUGH, SO DEPENDING ON THIS WOULD BE OUR ONE FORM.

I MEAN, WHEN YOU GET INTO THE MULTI-AGENCY ONE FORM AND ALL THE RULES THAT ARE AFFECTED THERE, THAT'S MORE COMPLICATED AND SO, YOU KNOW, IT COULD --

MAYBE IT COULD TAKE 18 MONTHS TO 24 MONTHS.

THAT'S JUST MY BEST GUESS FROM BASED ON 30 YEARS OF EXPERIENCE WORKING IN THE GOVERNMENT.

ALL RIGHT.

SO THE NEXT QUESTION IS: CAN YOU SPEAK TO WHAT DECCS TRAINING WOULD BE AVAILABLE TO INDUSTRY AND TIMING OF ANY SUCH TRAINING THAT MIGHT BE AVAILABLE?

OKAY.

SO THE PLAN

WHILE THIS IS IN REVIEW FOR THE AUTHORIZATION TO OPERATE OVER THE SUMMER WE WOULD -- WE WOULD PROVIDE TRAINING TO THE INDUSTRY ON HOW TO ACCESS THESE THINGS.

I MEAN, WE WOULD PROVIDE TRAINING TIPS, TOOLS, BUT MORE IMPORTANTLY WE WOULD PROVIDE AN ENVIRONMENT WHERE PEOPLE COULD ACTUALLY GET IN AND DO THIS.

THESE SYSTEMS, THESE INTERFACES, SHOULD BE EASY.

THEY SHOULD NOT REQUIRE A LOT OF USER TRAINING.

I THINK THE THINGS THAT ARE MOST COMPLICATED ABOUT IT ARE, FOR YOUR SUPER USERS, IDENTIFYING WHAT ROLES PEOPLE SHOULD HAVE AND ALSO SETTING UP THE CERTIFICATIONS, YOU KNOW, THE SECURITY STUFF.

SO THAT'S GOING TO -- WE ARE JUST GOING TO HAVE TO BEEF UP OUR HELP AREA TO GET PEOPLE UP AND RUNNING ON THE SYSTEM AS WE -- AS WE DEPLOY IT.

OKAY.

SO GUY CLEMENS HAS A QUESTION:

DO YOU HAVE A POTENTIAL TIMELINE FOR THE SINGLE FORM?

I COULD MAKE UP A POTENTIAL TIMELINE FOR THE SINGLE FORM, BUT IT'S RELATED TO THIS, THE ITAR JEFF NIELSEN WANTS TO MAKE CHANGES TO THE ITAR, WE WANT TO MAKE CHANGES TO THE ITAR.

THE QUESTION IS FOR ME TO GET THE SINGLE FORM THROUGH OMB WE NEED TO MAKE ADMINISTRATIVE CHANGES TO THE ITAR.

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NOW, MAKING THOSE ADMINISTRATIVE CHANGES ARE FASTER THAN DOING AN ALL OUT NOTICE AND MAKING SUBSTANTIVE CHANGES TO THE ITAR.

AND IT'S MY VIEW THAT IT'S CONFUSING TO MAKE MULTIPLE WHOLESAL CHANGES TO THE REGULATIONS, , FIRST ADMINISTRATIVE AND THEN SUBSTANTIVE AND IDEALLY YOU WOULD DO BOTH AT THE SAME TIME.

THIS GOES BACK TO MY REGULATORY EXPERIENCE.

I'VE WORKED IN REGULATORY AGENCIES IN ALL OF MY FEDERAL SERVICES, DIFFERENT REGULATORY AGENCIES AND I'VE SEEN THIS IS JUST THE BEST WAY OF DOING IT IS IF YOU'RE PLANNING TO MAKE SUBSTANTIVE CHANGES, WHOLESAL SUBSTANTIVE CHANGES TO THE ITAR THEN THIS WOULD BE THE TIME TO MAKE THOSE ADMINISTRATIVE CHANGES THAT I NEED.

I THINK THAT THAT IS A PRIORITY FOR THE DIRECTORATE, BUT IT IS TIME CONSUMING BECAUSE IT HAS TO GO THROUGH THE WHOLE REGULATORY PROCESS.

HOW LONG WILL IT TAKE?

I'M JUST GOING TO GO BY EXPERIENCE THAT I HAVE HAD IN OTHER FEDERAL AGENCIES.

I HAVE NEVER SEEN A RULEMAKING GO FROM CRADLE TO GRAVE IN LESS THAN SEVEN OR EIGHT MONTHS.

AND THAT'S A REALLY AGGRESSIVE TIMELINE AND USUALLY THAT'S SOMETHING WHERE THERE IS A CONGRESSIONAL MANDATE.

FOR THINGS WHERE THERE IS NOT A CONGRESSIONAL MANDATE, WHICH THIS IS ONE WHERE WE'RE DOING IT ON OUR OWN, IT TAKES LONGER BECAUSE PEOPLE REALLY WANT TO GET IT RIGHT.

AND THE CITY WANTS US TO GET IT RIGHT AS WELL.

SO THOSE CAN TAKE 9 TO 12 MONTHS AND THEN WE NEED TO MAKE THE ADJUSTMENTS TO THE SYSTEM AS NECESSARY.

THE THING ABOUT MAKING CHANGES TO THE SYSTEM IS IT'S NOT JUST OUR SYSTEM THAT WE HAVE TO MAKE CHANGES TO, WE HAVE TO COORDINATE WITH DTSA FOR U.S. EXPORTS SO THAT THE INTERAGENCY CAN SEE WHAT CHANGES ARE MADE TO THE FORMS.

IN ADDITION TO THE CVP.

SO I MEAN IF OUR FORMS CHANGE, IF OUR SCHEME CHANGES THAT AFFECTS CVP AS WELL.

SO IT'S BASICALLY THREE LARGE FEDERAL AGENCIES THAT HAVE TO CHANGE THEIR SYSTEM.

IT'S NOT AN INSIGNIFICANT I.T. EFFORT WHEN WE MAKE THESE KINDS OF CHANGES.

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ALL RIGHT.

KIM OSBOURNE, WILL TEMPORARY LICENSES BE VALIDATED AT CUSTOMS WITHOUT SENDING THE ORIGINAL LICENSE TO CUSTOMS?

YEAH, WITH EXPORTS -- AND I'M NOT SURE IF WE ARE TALKING ABOUT -- I GUESS WE ARE TALKING ABOUT TEMPORARY IMPORTS AND TEMPORARY EXPORTS.

THE IDEA HERE IS THAT -- THAT WE DO HAVE THE AUTOMATED DOCUMENTATION; CVP IS AUTOMATICALLY DECREMENTING LICENSES SO THERE IS NOT A REAL REASON TO HAVE THESE LICENSES.

I WOULD SAY THAT FROM A SYSTEMS PERSPECTIVE.

NOW, FROM A HUMAN PERSPECTIVE DEPENDING ON THE PORT IF IT WERE ME AND IF I WERE IN CHARGE OF THOSE OPERATIONS I WOULD PROBABLY BRING THE PAPER COPY OF THE LICENSE, BUT IT SHOULD BE DECREMENTED IN THE SYSTEM AND UPDATED IN THE SYSTEM OF RECORD WHICH IS AES AND ACE AND EVENTUALLY I THINK IT WILL ALL BE CALLED ACE.

NOW, WHEN WE DID OUR REGULATION CHANGES FORAYS, WE DIDN'T NAME THE SYSTEMS.

AND PART OF THAT -- I WANT TO SAY WHY WE DIDN'T NAME OUR SYSTEMS, BECAUSE THERE WAS BASICALLY, DIFFERENT VIEWS ON WHAT IT SHOULD BE CALLED.

SO AES IS CURRENTLY THE NAME THAT IS USED FOR EXPORTS, BUT I THINK EVENTUALLY THAT NAME WILL BE ACE FOR EVERYTHING, WHETHER IT'S AN IMPORT OR AN EXPORT.

SO IN OUR REGULATIONS WE JUST WANTED TO MAKE IT FLEXIBLE ENOUGH AND WE JUST SAID TO CVP.

SO IT'S TO WHATEVER SYSTEM CVP HAS, TO WHAT NAMING OF THAT SYSTEM THAT CVP DOES, IT WOULD BE THEIR DIRECTION IN TERMS OF PROVIDING -- WE PROVIDE THAT INFORMATION TO THEM AND THEN YOU NEED TO DO WHATEVER CVP SAYS IN TERMS OF YOUR SHIPMENTS.

OKAY.

ARE THERE PLANS IN THE FUTURE TO ALLOW DATA INTEGRATION WITH SOFTWARE PLATFORMS?

YES.

YOU KNOW, IF YOU ARE TALKING ABOUT COMMERCIAL LIKE YOUR COMPANY DOING ITS OWN BATCH FILING OR ANY OF THOSE SORTS OF THING, CERTAINLY AN OPTION.

WE CURRENTLY HAVE BATCH FILING WITH OCR WHO IS A COMMERCIAL PROVIDER; WE WOULD DO IT WITH OTHER COMMERCIAL PROVIDERS.

WE ALSO HAVE AN INSTANCE WHERE WE'RE WORKING DIRECTLY WITH AN EXPORTER; WE WOULD BE WILLING TO DO THAT.

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IT'S BASICALLY AN API THAT YOU WOULD DO AND WE ARE WILLING TO WORK WITH YOU AND DO THE TESTING AND MAKE SURE THAT YOU ARE ABLE TO DO IT.

WE ARE ACTUALLY WILLING TO DO THAT AT ANY POINT, START THOSE CONVERSATIONS AND WE HAVE WITH RESPECT TO BATCH FILING, YOU KNOW, WE HAVE DONE A NUMBER OF TELECONFERENCE CALLS WITH DIFFERENT ENTITIES TALKING ABOUT WHAT CHANGES WILL BE MADE IN RELEASE TWO AND THERE WILL BE SMALL CHANGES THAT EVERYBODY IS GOING TO HAVE TO DO BECAUSE IT'S POINTING IN A DIFFERENT -- TO A DIFFERENT SERVER.

SO IF NOTHING ELSE YOU ARE GOING TO HAVE TO OPEN UP YOUR FIRE WALL TO BE ABLE TO POINT TO THAT SERVER.

THERE IS A COUPLE OTHER CHANGES AS WELL.

WE'VE BEEN WORKING WITH BATCH FILERS IN PARTICULAR OCR BUT ALSO THE COMPANIES, THE EXPORTERS TO GET PEOPLE READY BECAUSE THAT TESTING IS ONE OF THE THINGS THAT'S GOING TO HAPPEN SOONER RATHER THAN LATER, AS SOON AS APRIL.

HOPEFULLY I'M ANSWERING THE QUESTION THAT YOU HAD INTENDED, BUT WE ARE HAPPY TO WORK WITH ANYBODY THAT WANTS TO INTEGRATE WITH OUR SYSTEM.

OKAY.

CURRENT FEMA DOESN'T ALLOW MORE THAN TWO DECIMAL PLACES FOR BATCH SUBMISSION.

IS DECCS GOING TO SUPPORT MORE THAN TWO DECIMAL POINTS FOR BATCH SELECTION?

MY UNDERSTANDING IS, THE ROUNDER ERRORS ARE SO -- I'M SO USED TO ROUNDING ERRORS AND WE WOULD REALLY LIKE TO NOT HAVE THESE ROUNDING ERRORS.

SO I THINK THE PLAN IS TO ALLOW FOR MORE THAN TWO DECIMAL PLACES.

ONE OF THE ISSUES IS WE HAVE TO WORK WITH THE U.S. EXPORTS TEAM BECAUSE THEY WILL ALSO HAVE TO CHANGE THEIR SYSTEM AND WE HAVE TO FIND OUT WHETHER CVP CAN HAVE MORE THAN TWO DECIMAL PLACES FOR UNIT PRICING.

IT'S SOMETHING, I'M AWARE OF IT, WE'RE WORKING THROUGH IT AND THE HOPE IS THAT WE WILL HAVE MORE THAN TWO DECIMAL PLACES AND THAT THAT WILL RESULT IN MORE THAN TWO DECIMAL PLACES EVERYWHERE BECAUSE IF IT'S NOT DONE EVERYWHERE IT'S NOT GOING TO -- IT'S NOT GOING TO HELP.

IF WE START TO TRACK THINGS ON A UNIT BASIS FOR ENFORCEMENT PURPOSES THROUGH CVP, THEN WE ARE GOING TO CONTINUE TO HAVE THESE ROUNDING ISSUES.

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SO MORE ON THAT, WE WILL ANSWER MORE DEFINITELY AFTER THE WEBINAR AND LET YOU KNOW WHERE WE ARE WITH THAT.

OKAY.

I MEANT MORE ALONG THE LINES OF ADDITIONAL DOCUMENTATION UPLOADED, ADDITIONAL EXPORT LETTERS, , WE WILL MAINTAIN OUR PAPER COPIES BUT IS IT USEFUL TO GO INTO D-TRADE TO SEE THAT IT HAS BEEN SUBMITTED.

OKAY.

YEAH, SO THE ADDITIONAL DOCUMENTATION, THE EXTENT TO WHICH WE KEEP FILES AVAILABLE FOR YOU, YOU WILL BE ABLE TO SEE EVERYTHING THAT YOU SUBMITTED.

THE ISSUE IS DO WE WANT TO KEEP EVERYTHING THAT YOU'VE EVER FILED WITH US AVAILABLE FOR SECURITY PURPOSES.

SO IN THE PAST WHAT WE DID IS WE MOVED EVERYTHING OFF AFTER A CERTAIN PERIOD OF TIME.

LET'S SAY THERE'S ONLY THREE MONTHS' WORTH OF DATA THAT'S ACCESSIBLE AND THAT WE WILL KEEP EVERYTHING ELSE INSIDE OUR FIRE WALL AND THE IDEA WOULD BE THAT IF YOU WANTED AN OLDER RECORD, THAT YOU WOULD BE ABLE TO TO GET THAT OLDER RECORD.

THAT'S REALLY THE ISSUE.

SO THE DATA WILL ALWAYS BE AVAILABLE AND IF WE REPOST SOMETHING EVERYTHING WILL BE AVAILABLE THAT YOU PUT IN, BUT MY CONCERN IS THAT WE JUST PROBABLY DON'T WANT TO MAKE EVERYTHING ACCESSIBLE FOREVER ALL THE WAY THROUGH THE RETENTION PERIOD.

IT WOULD MAKE SENSE FOR YOU TO KEEP THOSE ELECTRONIC COPIES IF YOU WANT THEM INSTANTANEOUSLY BECAUSE THEY ARE ADDITIONAL DOCUMENTATION YOU UPLOAD IF YOU HAVE THEM IN ELECTRONIC FORMAT.

SO THAT'S GOING TO BE I THINK THE EASIEST WAY FOR YOU TO GET THOSE FILES BACK.

CAN SOFTWARE INTERFACE WITH DECCS?

ANY DOCUMENTATION THAT'S AVAILABLE?

WE DID PUBLIC DOCUMENTATION FOR SOFTWARE VENDORS TO INTERFACE WITH DECCS THAT WAS PUBLISHED MIDDLE OF JANUARY AND WE CAN -- WHEN WE DO THE Q & A WE CAN POINT TO THAT PARTICULAR URL, BUT IT'S ALSO SOMETHING THAT YOU CAN LOOK FOR, IT'S AROUND THAT TIME FRAME AND, AGAIN, IT HASN'T CHANGED MUCH FROM THE EXISTING DOCUMENTATION, BUT IT DOES -- IT DOES HAVE SOME DIFFERENCES.

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SO IF YOU ARE A NEW SOFTWARE VENDOR THE API INSTRUCTIONS FOR LICENSING, WERE RELEASED IN MID-JANUARY OF THIS YEAR.

ALL RIGHT.

ARE D-TRADE RULES CHANGING, SUBMITTERS, SIGNATORY, ET CETERA?

I DON'T KNOW THE EXACT ROLES THAT ARE IN D-TRADE, BUT I DON'T THINK THAT THEY ARE -- I DON'T THINK THAT THEY ARE CHANGING SUBSTANTIALLY IN RELEASE TWO, BUT WE WILL GET BACK TO YOU ON EXACTLY WHAT THE ROLES ARE GOING TO BE IN DECCS.

OKAY.

SO THIS QUESTION SO ABOUT THE DETROIT LEGACY DATA INCLUDING AGREEMENTS.

OUR PLAN IS TO TAKE ALL OF OUR DATA AND INCLUDE IT IN DECCS AND WE MAY OR MAY NOT BE ABLE TO DO AN ELECTRONIC REQUEST FOR REPOSTING OF THE LICENSES THAT ARE NO LONGER AVAILABLE ONLINE.

SO WE'RE HOPING TO, BUT IT MAY NOT MAKE IT INTO THIS RELEASE AND SO WHAT YOU WOULD DO -- WHAT YOU WOULD GET IN RELEASE TWO IS NO -- IS NO DIFFERENT THAN WHAT YOU WOULD BE DOING IN D-TRADE.

THERE IS A LOT OF REPOST QUESTIONS THAT COME IN ON A DAILY BASIS AND WE REPOST THOSE LICENSES.

WE CAN CONTINUE TO DO THAT, , THROUGH DECCS, BUT ULTIMATELY WHAT WE WANT TO DO IS ALLOW YOU TO DO THAT ELECTRONICALLY NOT BY E-MAIL AND THAT IT WOULD COME BACK THE FOLLOWING DAY.

AND WHEN YOU SAY INCLUDING AGREEMENTS AND ALL OF THE THINGS, I DON'T KNOW HOW IT WORKS TODAY, BUT FOR RELEASE TWO, IT WILL BE SIMILAR.

IF YOU HAVE ACCESS TO AGREEMENTS CURRENTLY, THEN WE WOULD BE ABLE TO DO THAT IN DECCS RELEASE TWO BECAUSE WE ARE NOT LOSING ANY FUNCTIONALITY, BUT WE ARE ALSO NOT ADDING A LOT WITH REGARD TO THIS KIND OF THING THAT WOULD BE IN FUTURE RELEASES.S.

OKAY.

SO THIS QUESTION, WHEN WILL CURRENT FEMA BE UPDATED TO ALLOW FOR PATCH SUBMISSIONS AND IBS FORMS TO WORK TOGETHER TO ALLOW FOR SIX DIGIT DECIMAL PLACING?

IT WAS NEVER OUR INTENT TO HAVE IBM FORMS WORK TOGETHER.

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THIS IS AN INTERACTIVE APPLICATION TO IT'S BASICALLY WEB BASED AND YOU WILL BE ENTERING INFORMATION INTO US ONCE YOU SUBMIT IT.

IBF FORMS WOULD BE ELIMINATED AND WITH REGARD TO THE BATCH SUBMISSIONS THAT WOULD BE A STREAM OF DATA THAT WILL BATCH SUBMISSION WILL BE THE SAME AS WHAT IT IS CURRENTLY AND THEN, IT WILL COME IN IN A VERY SIMILAR WAY AS IT DOES NOW AND THEN EVENTUALLY WITH THE ONE FORM WE WILL BE MAKING WHOLESAL CHANGES TO THE WHOLE PROCESS FOR BATCH FILING, BUT THERE IS NO TIMELINE ON THAT, BUT I WILL SAY THAT WHEN THAT HAPPENS YOU WILL GET INSTRUCTIONS ON THE API AND YOU WILL HAVE SIX MONTHS TO DEVELOP IT AND TEST IT.

WE ARE NOT LOOKING AT MAKING ANY CHANGES THAT WHERE YOU WON'T HAVE SUFFICIENT TIME TO MAKE THE UPDATES THAT YOU NEED TO MAKE ON THESE SYSTEMS.

ALL RIGHT.

SO THE NEXT QUESTION IS THE APPLICATION FORM FOR A LICENSE ONE FORM HAS CHANGED COMPLETELY.

WILL THE LICENSE ISSUED ALSO CHANGE?

THE LICENSE WILL CHANGE SUBSTANTIALLY, NOT JUST BASED ON THE APPLICATION CHANGES, BUT, FOR EXAMPLE, ONE OF THE THINGS THAT CVP REALLY WANTS US TO DO IS HAVE AN EXPIRATION DATE ON THE LICENSES.

CURRENTLY WE HAVE MONTHS REMAINING OR SOMETHING LIKE THAT AND SO, YEAH, THE LICENSE -- THE ACTUAL LICENSE THAT WE PROVIDE TO YOU WILL HAVE TO CHANGE BASED ON THE IN YOU FORM.

BUT AGAIN THAT'S NOT SOMETHING THAT WE ARE GOING TO DO IN RELEASE TWO.

ALL RIGHT.

SO THE IBM FORM ALLOWS MORE THAN TWO DECIMALS IN UNIT PRICE.

OKAY.

I'M NOT EXACTLY AWARE OF WHERE THIS IS, BUT I WILL SAY THAT THERE MUST BE SOME PROBLEMS WITH THE DECIMALS BECAUSE MY UNDERSTANDING IS THAT THERE IS ROUNDING ERRORS.

AT SOME POINT IT SEEMS POSSIBLE THAT SOMEONE IS ONLY LOOKING AT THE FIRST TWO DECIMAL PLACES AND THAT THAT'S CREATING ISSUES WITH THE MULTIPLICATION AND EITHER DOING TOO MUCH OR TOO LITTLE IN THE DECREMENTATION.

THIS IS AN ISSUE THAT WE ARE AWARE OF AND I WILL HAVE TO GET BACK TO YOU EXACTLY ON HOW THAT WILL WORK BUT I DO KNOW THAT IT AFFECTS -- IT AFFECTS ALL THE SYSTEMS, SO IT'S SOMETHING THAT WE ARE LOOKING AT.

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ALL RIGHT.

LET'S SEE.

THE CURRENT SCHEME USES SPECIFIC COUNTRY CODES THAT SEEM TO BE NONSTANDARD.

IS DECCS PLANNING ON USING ISO STANDARD COUNTRY CODES?

THAT'S A GREAT QUESTION AND LET ME JUST START BY SAYING THAT OUR COUNTRY CODES ARE BASED ON DEPARTMENT OF STATE AND THERE ARE CERTAIN DIFFERENCES FROM THE STANDARD ISO COUNTRY CODES.

FROM AN I.T. PERSPECTIVE I WOULD REALLY, REALLY LIKE TO USE ISO STANDARD COUNTRY CODES BECAUSE THAT'S WHAT CVP IS USING AND THAT WOULD BE IDEAL BUT I WOULD HAVE TO GET BACK TO YOU BECAUSE IT'S BEEN PROBABLY THREE OR FOUR MONTHS OR SIX MONTHS SINCE I'VE HAD THESE CONVERSATIONS AND I DON'T KNOW WHAT WAS INDICATED ON THE ONE FORM, THE INITIAL ONE FORM, SO I WILL HAVE TO GET BACK TO YOU ON THAT, BUT IT'S A GREAT QUESTION.

OKAY.

AT THE MOMENT UNIT OF MEASURE ARE NOT THE SAME BETWEEN D-TRADE AND BIS.

IS THERE ANY PLAN ON MAKING THEM THE SAME?

I DON'T THINK.

I REALLY DON'T.

AND I THINK THE REASON WHY I SAY THAT IS BECAUSE AFTER EXPORT CONTROL REFORM, I MEAN, OUR UNITS OF MEASURE ARE GOING TO BE I THINK I WOULD SUSPECT THAT THEY WOULD BE EASIER TO REDUCE THE UNITS OF MEASURE AND HAVE THEM BE MORE SPECIFIC AND WHEN I SAY THAT I'M REALLY TALKING ABOUT THESE GENERIC UNITS OF MEASURE LIKE LOT THAT REALLY DON'T MEAN ANYTHING TO ANYBODY AND WHAT WE WANT TO DO AS A GOVERNMENT IS WE WANT UNITS OF MEASURE THAT MEAN SOMETHING TO A CVP AGENT AND, YOU KNOW, A LOT CAN BE ANYTHING.

YOU KNOW, A LOT IS A LOT IS A LOT.

IT'S UNDEFINED AND THERE ARE A NUMBER OF THINGS LIKE THAT.

SO IT'S DURING THE ONE FORM REVIEW THERE WAS A LOT OF EMPHASIS ON TRYING TO WORK WITH CVP TO WORK ON HOW ARE WE GOING TO MINIMIZE OR ELIMINATE THOSE UNITS OF MEASURE THAT ARE NOT QUANTIFIABLE.

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AND THAT'S MY HOPE AND THAT'S WHAT I WANT TO DO BECAUSE, AFTER ALL, OUR REAL GOAL HERE IS TO BE ABLE TO KNOW EXACTLY WHAT IS BEING EXPORTED AND TO ENFORCE THOSE LICENSES BECAUSE OTHERWISE WHAT'S THE POINT?

I THINK THAT PART OF WHAT WE'RE GOING TO BE ABLE TO DO IS TAKE OUT SOME OF THOSE THINGS AND BIS HAS GOT, YOU KNOW, DIFFERENT THINGS THAT THEY REGULATE.

THEY HAVE A DIFFERENT LIST AND IT SEEMS LIKE WE WON'T BE ABLE TO MAKE THEM THE SAME.

I DON'T THINK IT'S GOING TO HAPPEN FOR A GOOD REASON.

WHEN WE CONSULATE AND HAVE A SINGLE SYSTEM THEN WE ARE JUST GOING TO HAVE MORE UNITS OF MEASURE BUT YOU WILL BE ABLE TO USE CERTAIN UNITS OF MEASURE FOR CERTAIN COMMODITIES.

THAT WOULD BE THE MOST IDEAL WAY OF DOING IT, BUT THE POINT HERE IS THAT YOU WANT TO MAKE IT SO THAT PEOPLE UNDERSTAND.

SO THAT, THE PEOPLE THAT ARE SUPPOSED TO BE ENFORCING THIS CAN ACTUALLY ENFORCE IT.

IT LOOKS LIKE WE DON'T HAVE ANY OPEN QUESTIONS AND I MAY HAVE MISSED ONE OR TWO, BUT WE HAVE ABOUT EIGHT MINUTES LEFT ON THIS CALL AND I JUST WANT TO MAKE A FEW CLOSING REMARKS ABOUT SORT OF HOW WE'RE APPROACHING THIS MODERNIZATION.

I KNOW THAT THERE'S PROBABLY AS MANY -- I'VE PROBABLY ANSWERED AS MANY QUESTIONS AS I DIDN'T ANSWER.

I KNOW THAT THE BIG ISSUE HERE IS WHEN ARE WE GOING WITH THE ONE FORM?

WHEN ARE WE GOING TO MAKE SUBSTANTIAL CHANGES TO THE WAY THAT THE LICENSING WORKS?

THAT'S A GREAT CONCERN AND I RECOGNIZE THAT IT'S AN IMPORTANT THING FOR YOU TO KNOW ABOUT AS SOON AS POSSIBLE AND WHEN WE HAVE INFORMATION THIS IS THE KIND OF PLACE WHERE WE ARE GOING TO BE SHARING IT WITH YOU.

I AM IN GENERAL PROBABLY OVERLY TRANSPARENT AND, THAT GETS ME IN TROUBLE SOMETIMES BUT I THINK IT'S WORTH THE RISK BECAUSE THE MORE YOU KNOW THE MORE YOU CAN PLAN THE BETTER YOU CAN INTERACT WITH US.

AND EVEN IF I HAVE TO CHANGE COURSE, WHICH I REALLY DID BETWEEN THE SIA AND UPDATE CONFERENCE AND NOW, I WOULD RATHER DO THAT THAN BE HEAD STRONG ON AN APPROACH THAT ISN'T GOING TO WORK OR THAT'S GOING TO BE SUBOPTIMAL FOR THE GOVERNMENT OR THE INDUSTRY.

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SO JUST KNOW THAT THERE'S GOING TO BE TRANSPARENCY, THAT THERE WILL BE CHANGES, THAT WHAT WE ARE TRYING TO DO IS REDUCE PAPER.

WE ARE TRYING TO MAKE THINGS BETTER.

IN OUR APPROACH TO MAKE THINGS BETTER IT WILL APPEAR THAT SOME THINGS ARE WORSE BECAUSE IT ALWAYS IS.

WHEN YOU DO I.T. SYSTEM MODERNIZATION IF YOU'RE USED TO A PARTICULAR SORT OF WAY OF INTERACTING AND THAT CHANGES, EVEN IF ULTIMATELY YOU THINK IT'S BETTER AT THE BEGINNING IT'S NO BETTER, IT'S WORSE, BECAUSE IT'S UNKNOWN AND IT'S CONFUSING.

AND THE OTHER THING I WILL SAY IS THAT, IN GENERAL WE ARE TRYING TO MAKE GOOD DECISIONS, BUT IN THE FIRST RELEASE OR THE SECOND RELEASE SOME OF THESE THINGS WE'RE NOT GOING TO DO EXACTLY RIGHT.

AND THE POINT IS THAT, IF YOU MAKE MISTAKES IN AN I.T.

MODERNIZATION JUST THE WILLINGNESS TO GO BACK AND FIX IT AND THAT MEANS NOT FIXING IT FOR A PARTICULAR ENTITY OR FOR A PARTICULAR PERSON, BUT LOOKING AT IT HOLISTICALLY AND FIGURING OUT WHAT IS THE BEST APPROACH THAT WE CAN TAKE THAT WILL MAKE THIS SIMPLER TO INTERACT WITH US.

WE ALL HAVE VERY IMPORTANT WORK TO DO AND WHAT WE WANT TO DO IS MAKE THAT PROCESS EASIER FOR EVERYONE, YOU KNOW, TO GIVE US THE INFORMATION WE NEED SO THAT WE CAN DO THE JOB THAT WE NEED TO DO.

SO IF THERE'S NOT ANY MORE QUESTIONS, I JUST WANT TO OUTLINE, WHERE WE'RE HEADED FROM HERE.

I WOULD SAY THAT THE NEXT INTERACTION THAT WE WILL HAVE WILL BE WITH THE BATCH FILERS AND WE WILL BE REACHING OUT, MAKING SURE THAT PEOPLE ARE COMFORTABLE AND ABLE TO TEST WITH US IN OUR NEW LOCATION ON THE CLOUD IN THE NEXT FEW MONTHS AND THEN FROM THERE WE HAVE A USER GROUP THAT -- A TEST GROUP, IT'S A USING GROUP BUT IT'S ALSO INTENDED TO INVITE THE PEOPLE WHO ARE IN THE USER GROUP TO DO TESTING AND THAT WILL HAPPEN AFTER THE BATCH FILING TESTING AND IT WILL HAPPEN NOT WITH EVERYTHING.

WE ARE GOING TO SEGREGATE AND IDENTIFY TODAY FOR THIS WEEK WE'RE GOING TO TEST THIS PARTICULAR THING AND IT MIGHT BE THE DISCLOSURES OR THE ADVISORY OPINION, THAT SORT OF THING.

SO IT WON'T BE, A BIG, OKAY, NOW TEST EVERYTHING.

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WE ARE GOING TO BE ASKING YOU PARTICULAR THINGS SO THAT WE CAN MAKE SURE THAT THINGS ARE WORKING AS WE HAD PLANNED.

THAT'S GOING TO REALLY BE OUR NEXT INTERACTION.

I WILL BE AT THE SIA ADVANCED COURSE WHICH IS IN EARLY MAY AND I WILL ALSO BE AT THE OCR COURSE THAT IS -- EXCUSE ME, THE OCR CONFERENCE THAT'S COMING UP IN JUNE.

I WILL LIKELY HAVE ANOTHER WEBINAR WITHIN THE NEXT FEW MONTHS JUST TO GIVE YOU AN UPDATE ON WHERE WE ARE WITH RESPECT TO TIMING, IF ANYTHING HAS SHIFTED WITH REGARD TO OUR PLANNED DEPLOYMENT DATE.

AND SO THAT'S WHAT YOU CAN EXPECT FROM ME.

I WOULD ENCOURAGE YOU TO E-MAIL YOUR SUGGESTIONS, REQUEST INFORMATION AND IF YOU THINK THERE'S A REASON FOR ME TO DO THESE WEBINARS MORE OFTEN OR LESS OFTEN I WOULD BE HAPPY TO ACCOMMODATE.

WE HAVE JUST ABOUT A MINUTE LEFT, I GUESS, I'VE GOT ANOTHER QUESTION SO I WILL SEE IF I CAN ANSWER THAT.

HOW MUCH BATCH TESTERS WILL BE ALLOWED PER COMPANY?

I WOULD BE EXPECTING THAT IT WOULD BE ONE PER COMPANY BUT I WOULD BE INTERESTED TO, AS LONG AS THERE'S AN IDENTRUST CERT REALLY IT SHOULDN'T MATTER THAT THERE COULD BE MULTIPLE TESTERS PER COMPANY. EARLIER THIS YEAR WE SENT OUT A WEB NOTICE AND INVITED PEOPLE TO REQUEST CONFERENCE CALLS WITH US TO DISCUSS THOSE MORE.

SO I WOULD ENCOURAGE YOU TO DO THAT.

I WANT TO THANK YOU AGAIN FOR DIALING IN AND LOOK FORWARD TO MORE INTERACTION WITH YOU AS WE MOVE FORWARD WITH IT MODERNIZATION.

THANKS SO MUCH.